APPENDIX C

Equipment:

IBM will provide the following internal connections equipment and associated documentation in accordance with the terms and conditions of this SOW:

Qty	Mfg Part #	Description
1	450 Server	Sun Enterprise Server
1	6400 Server	Dell PowerEdge Server
2	SU1400Net	1400VA Line Int LAN 7-Full 21-Half UPS

Program Products and License fees

IBM will supply the following operational software and associated documentation in accordance with the terms and conditions of this SOW :

- Web Access Software 4.0 Server – (Qty 52)
- Novell SLA Software– P/N Nvsla 17258 (Qty 1)
- UNIX Operating System Software
- Technical Support

These network servers serve as a conduit for information. These servers will not be used as a source for content or principally to supplement storage requirements of personal computers on El Paso's network.

APPENDIX D SIGNATURE PAGE

IBM (we) will provide, and EL Paso ISD (you) agree to accept, IBM Services (Services) for "Network File and Web Servers" under the terms and conditions of the *IBM Customer Agreement* and this Statement of Work. For Scope of Services, Completion Criteria, Charges and other applicable terms refer to the IBM Proposal for the provisions of EL Paso ISD "Network File and Web Servers", dated January 17, 2002.

IBM is aware of the District's reliance on an outside source of funding (Universal Service Fund) to execute on the implementation tasks described in this SOW. Should EL Paso ISD not receive the requested funding for E-rate 5 or should EL Paso ISD receive only partial funding, IBM will work with EL Paso ISD to incorporate those portions of E-rate 5 funding that can be accomplished based upon available funding. It is specifically understood by IBM and EL Paso ISD that no E-rate 5 activity will occur prior to IBM's receipt from EL Paso ISD of written authorization to proceed. It is understood by EL Paso ISD and IBM that this SOW and its associated pricing is based upon IBM receiving written approval from EL Paso ISD to proceed with E-rate 5 no later than December 30, 2002. In the event this approval is not received by this date, IBM reserves the right to restructure the SOW to incorporate on those tasks that can be successfully completed by IBM prior to June 30, 2003.

This proposal will remain valid through December 31, 2002.

Total Charges: $3,386,700, which includes travel and living expenses and applicable taxes which are the responsibility of El Paso ISD. Both of us agree that the complete agreement between us regarding these Services will consist of 1) this Statement of Work and 2) the *IBM Customer Agreement* (or any equivalent agreement signed by both of us).

Agreed to:

EL Paso ISD

By Jack S. Johnston
(Authorized Signature)

Name JACK S. JOHNSTON

Date 1-16-02

Customer Number 2716257

Customer Address:

El Paso Independent School District

6531 Boeing Dr.
El Paso, TX 79925

Project name or identifier

Start Date: July 1, 2002

Agreed to

International Business Machines Corporation

By
(Authorized Signature)

Name MICHAEL PRAST

Date 1-16-02

IBM Customer Agreement No. BN8C298

IBM Office Address:

4487 N. Mesa, Suite 200
El Paso, TX 79902

El Paso ISD – Network File and Web Servers

End Date: June 30, 2003

IBM

Statement of Work

for

Video Equipment Solution and

Installation Services Project

Prepared for

El Paso Independent School District

(EPISD)

January 17, 2002

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1 EXECUTIVE OVERVIEW

The El Paso Independent School District (EPISD) has committed to implement a strategic vision that improves educational services through the delivery of instructional technology. Further, EL PASO ISD strategic vision focuses on increasing student achievement by identifying and promoting learning styles appropriate to the population being served. IBM proposes a Video Solution that offers interactive digitally delivered education to students. Our proposed solution compliments the EL PASO ISD strategic vision to improve educational services and increase student achievement by addressing several fundamental challenges:

- Facilitate intra-district interactive video education to address teacher shortages and curriculum delivery shortfalls
- Provide equal access to college preparatory coursework (e.g. advanced placement courses)
- Bolster teacher collaboration and development to deliver more effective classroom training over distances
- Leverage existing telecommunications, Internet, and infrastructure solutions to enable digitally delivered educational services

IBM recognizes that intra-district connectivity and high-speed infrastructure must exist in order to gain the benefits of interactive digitally delivered education. Additionally, IBM is working diligently to support the efforts of several other EL PASO ISD Erate applications that provide the building blocks for this Video Solution.

Based upon our requirements gathering from EL PASO ISD, IBM has adopted several guiding principles in developing this Video Solution:

- Network infrastructure components must support converged, voice, data, and video
- Instructional content must be able to be delivered whenever and wherever required: to classrooms, student desktops, and other learning facilities
- Solution must be industry leading and support open architecture standards
- Solution must be scalable, modular, highly available, and maintainable using limited existing IT resources

IBM has identified a Video Solution that advances the strategic vision of EL PASO ISD through interactive digitally delivered educational services.

IBM has provided EL PASO ISD with a complete set of assumptions used in this response to further define our approach. For a detailed explanation of our compliance, please reference the "Solution Overview" and "Statement of Work" sections.

IBM is aware of the EL PASO ISD's reliance on an outside source of funding (Universal Service Fund) to execute on the implementation tasks described in this SOW. Should EL PASO ISD not receive the requested funding for E-rate 5 or should EL PASO ISD receive only partial funding, IBM will work with EL PASO ISD to incorporate those portions of E-rate 5 funding that can be accomplished based upon available funding. It is specifically understood by IBM and EL PASO ISD that no E-rate 5 activity will occur prior to IBM's receipt from EL PASO ISD of written authorization to proceed.

Commitment to service and customer satisfaction

IBM takes great pride in being recognized as a leader in delivering high customer satisfaction across all areas of our business. IBM has demonstrated repeatedly and consistently that our core competency of delivering large, multi-element, complex infrastructure and program management projects results in industry leading customer satisfaction year after year.

IBM's commitment to quality assurance and customer satisfaction is second to none. This commitment is backed by a mature service and support system, developed in over 60 years of business:

- International recognition of our quality processes through ISO 9001 registration
- Internal quality measures that provide ongoing analysis of processes and personnel
- Continual assessment of customer satisfaction
- Corrective and preventive procedures for identifying and resolving problems
- Customer satisfaction programs that empower employees to meet customer needs
- Global quality commitment

IBM's well-earned reputation for dependability, reliability, and commitment is unmatched.

Extensive K-12 knowledge and experience

IBM is actively involved in the Schools and Library Division (SLD) E-rate program, both as an industry participant in the development of the fund, and in assisting hundreds of small, medium, and large urban school districts to implement technology plans with E-rate discounts. IBM provides consulting, strategic planning, design, implementation, and program management services for school districts,

The IBM Global Education K-12 web site (http://www.solutions.ibm.com/k12) includes SLD program information, news, tips, customer testimonials and references, and pertinent support materials. Our core team of SLD subject matter experts provides EL PASO ISD with knowledge and experience drawn from hundreds of IBM personnel and subcontractors who are leveraging USF funding today. IBM's knowledge and experience in K-12 education is the collective accumulation of thousands of hours of hands-on involvement between IBMers and the schools they work with across the country.

Experience in managing large, complex projects

IBM is the largest IT services company in the world based on our strength of capability and our accountability for the success of the projects we have been engaged to deliver. IBM is usually contracted to be a Systems Integrator, or General Contractor, for the implementation of a technology project.

Specific examples of our experience include large projects such as the Memphis City Schools, Gwinnett County Schools, New York City Board of Education, El Paso Independent School District, and Edison Schools.

National and global reach, organization structure, processes and presence

To fulfill EL PASO ISD's needs in Video Services, IBM brings extensive company resources, subcontractors, existing Systems Integration processes and procedures, and the financial strength required to be responsible for this engagement during the E-rate approval and payment processes.

IBM has been working with numerous school districts across the country on large, medium and small projects for internal connections implementation. In pricing these projects, IBM has learned through our experience that projects need to be priced as not to exceed prices, rather than minimum prices. We understand that once the 471 application(s) have been made to the SLD that change orders to increase funding are not allowed. This puts additional pressure on the district, and on a responsible vendor, to provide pricing that ensures the project can be completed, with the services and products defined, on time and within the budget defined through the 471 application.

IBM believes that by assuring the district that we can complete the services defined in our response at the price point we've identified, well in advance of when services will actually be delivered, and with significant unknowns, we try to position ourselves as the lowest AND MOST RESPONSIBLE respondent to the district's needs. We recognize this does not always lead to IBM being the lowest priced respondent at first pass of the responses. We've witnessed districts selecting the lowest respondent for services and then are told, once the project has started, that they can't complete the project without additional funds. This puts the district in a position of a) coming up with additional district funds, or b) having the project not be completed. IBM's position is to price the original scope

fairly, accurately, and with an appropriate amount of risk so the district is protected, the project is protected, and IBM's ability to deliver the services is not compromised.

IBM has agreements in place with national, regional, and local contractors and equipment providers who are ready to perform defined tasks and responsibilities at EL PASO ISD. In reviewing our references, you will see how IBM has leveraged this breadth, depth and reach to perform similar responsibilities for companies and education institutions across the country.

Superior technology skills

IBM Global Services has deployed Video Equipment solutions similar in size and complexity that would meet EL PASO ISD's requirements. IBM brings to this project the mix of Cisco and Network Specialists necessary to deliver the design, planning, testing, and implementation support.

Commitment to open standards and multi-vendor solution perspectives

IBM Global Services has deployed extensive solutions for educational and commercial clients to solve a wide range of business and instructional challenges. In each case, one of the most important requirements has been for the solutions to support industry-recognized standards and to be completely open and nonproprietary. The industry-standard requirement gives clients access to the greatest amount of technical skills and talent, the best investment protection available, and maximum flexibility to work with any and all vendors / suppliers of technology to meet their requirements.

1.1 Video Equipment Solution Overview

In this proposal, IBM will offer a Video Equipment Solution that addresses EL PASO ISD requirements "to allow remotely-located students and/or lecturer to participate interactively with a class at EL PASO ISD's locations".

IBM's solution uses technology that allows digital delivery of education to the classroom, and that will take advantage of video technology that allows remote instruction and collaboration, video broadcasting and on-demand video viewing at the desktop. The solution includes the capability to:

a. Distribute audio and video signals to the PC desktop via the existing network infrastructure;

b. Utilize current network connectivity;

c. Enable the user to interactively participate in remotely delivered classes;

d. Have the desktop control the display of the video information across the existing infrastructure;

e. Provide versatile network infrastructure for increased video classrooms.

IBM's Video Solution will provide these capabilities and will position EL PASO ISD to leverage the newly built network backbone infrastructure for new intra-district educational services. This IBM Video Solution is designed around the Cisco Architecture for Voice, Video and Integrated Data. This architecture supports the convergence of voice, video, and data onto common infrastructure using open architecture standards.

Characteristics of the IBM Video Equipment Solution

The IBM Video Solution will provide students and teachers with easy to use, on-demand access to video functions that enhance the current learning environment. IBM will design, configure, implement and integrate the video equipment, so that students and educators can focus on the educational experience, and not worry about administering or maintaining its' components. The proposed IP based video equipment that IBM will implement and operate is consistent with EL PASO ISD's goal of all students and teachers having universal access to effective information technology in their classrooms and schools.

This solution consists of video group and desktop equipment, used to control the programming, distribution and selection of curriculum content. After installation of these components, EL PASO ISD will have these technology enhancements:

Robust Video Processing and Delivery throughout EL PASO ISD -

The IBM Video Solution has the capability to accommodate three prevalent types of video distribution to the EL PASO ISD teaching locations: Video on Demand, Broadcast Video, Video on Demand and , and Video conferencing/Interactive. At this time, costs included in this Statement of Work do not include Video on Demand as the archive servers are not Erate fundable. EL PASO ISD has indicated how many archive servers they require and those are provided as a separate cost apart from this SOW. These three video types offer flexibility in determining the timing, delivery and opportunity for audience participation in the video event:

Video On Demand – This is one-way, streamed video. It enables a distance learner to access educational content that is stored on a video server. The content may be a recording of a regularly scheduled lecture that a student could not physically attend or a program that was recorded for the purpose of later viewing over the network as part of a standard course work.

Broadcast Video – This is also one-way, streamed video, except that it will connect one video source to many video viewers. Just like distance learning, it enables a teacher to simultaneously reach any number of learners located throughout the network. The broadcast may come from a camera that is capturing a lecture in progress, or a live feed from cable or satellite into a broadcast server. Or, it could be stored content that is broadcast over the network at a specific time.

Videoconferencing – This is real-time, two-way interactive video. It is the only way to truly create the classroom environment with geographically disbursed students or lecturers. Video cameras must be employed at all points of the interactive session in order to deliver two-way interaction. The network must also support real-time transfer in both directions. Videoconferencing enables virtual meetings and facilitates the dynamics of interpersonal communication that occurs in face-to-face meetings, even though the participants may be miles away. Videoconferencing is one of the most effective distance learning tools for collaboration, discussions and Q&A interaction with teachers and/or students.

Future Video Trends – Currently, in limited use, this technology supports very high quality video delivery at speeds considerably higher than conventional video. The video quality has become sufficient enough to transmit in-progress surgical procedures to remotely located medical teams. The quality of videoconference meeting is also greatly enhanced over current solutions. The IBM solution positions EL PASO ISD to deploy this technology as it becomes a requirement and as high-speed bandwidth becomes more affordable.

Implementation of IBM Video Equipment Solution -

IBM will partner with EL PASO ISD to implement the End-to-End Video Equipment Solution. Additionally, IBM will administer, operate and support the video equipment solution for EL PASO ISD for a period of one year.

Key activities that IBM will perform include:

Finalize Solution Design –IBM will partner with the EL PASO ISD to review and update the requirements for the EL PASO ISD video equipment to ensure that the proposed backbone can accommodate the current requirements.

Develop Support and Service Plan for IBM Video Equipment Solution – IBM will team with EL PASO ISD to develop the Service and Support requirements for the IBM solution. These requirements will be based on EL PASO ISD goals and objectives. Where possible, existing support and service processes, tools and organization will be leveraged. Metrics to measure and report the quality of the service delivery to EL PASO ISD will be developed. Additionally, the Support and Service Plan will define the processes for coordinating and operating the solution.

Develop the Implementation Plan – IBM professionals will provide documentation to implement the IBM Video Equipment Solution in each of the districts network infrastructures. The plan will include installation of the components in 60 EL PASO ISD locations.

Implement the IBM Video Equipment Solution – IBM Specialists will team with district IT resources to execute the Implementation Plan and make the IBM Video Equipment Solution operational in each location. At the completion of the Implementation Plan, the IBM Video Equipment Solution will be operational in the district environment.

Ongoing Support and Maintenance for the IBM Video Equipment Solution – IBM Specialists will provide support and maintenance for the IBM Video Equipment Solution for a period of one (1) year using a EL PASO ISD Level Help Desk. This activity will include system rearrangement tasks, problem determination and resolution; call setup, interfacing with EL PASO ISD video users to assist in resolving operational issues and interfacing with vendors providing the solution components.

Advantages of the IBM Video Equipment Solution

Advantages to the EL PASO ISD Student –

Several features, inherent in multimedia-based learning, help the student learn faster and retain what is learned:

Reduced learning time – Because video can make such an impact on the learning process, reduced times in the range of 30 to 40 percent have been achieved compared to classroom instruction alone.

On-demand learning – Instruction is available when and where the student needs it. No waiting for, or travel to a scheduled class. Increases access to learning for the disabled, convalescing, parents and others.

Enhanced motivation – Students that have experienced technology based interactive learning report that it is more interesting and enjoyable than typical classroom lectures.

Increased achievement – When corrective feedback or a mastery learning strategy is provided, students often show better test results, retention and performance from technology interactive learning.

Learner controlled – Using broadcast playback video methods, each student can review topics or skip past information they have already reviewed. No one has to wait for the slowest student; students can learn at their own pace.

Better Access to specialized expertise – Students can consult with experts at distant locations without having to incur the lost of time and/or expense of travel.

Advantages To The EL PASO ISD Educator –

By using the IBM Video Equipment Solution educators will be able to fill the gaps of teacher shortages in remote areas:

Better quality control – Because learning experiences are delivered in the same way each time, they are often more consistent and reliable than classroom instruction.

Greater flexibility – Fluctuations in the number of students or their backgrounds can be accommodated more easily than with classroom instruction.

Improved accountability – Automatic collection of data on student performance is easy to gather and administer and can verify learning accomplished and/or learning problems.

Faster revision – Changes and updates to information can be made immediately.

Reduced delivery costs – Once developed, technology-based interactive learning is likely to be less expensive relative to labor-intensive classroom instruction. In addition, less experienced teachers may be able to teach more advanced topics.

Access to broader audience – Schools can attract students outside of their local communities and sell educational services to businesses in order to generate additional revenue.

Fewer resources required per student – One teacher could reach many more students located at multiple sites. This enables better scheduling of scarce resources.

Broader curriculum – By leveraging the expert resources of other educational establishments, schools can offer a broader curriculum to their students.

Advantages to curriculum delivery –

The IBM Video Equipment Solution is deployed throughout North America and is being used to augment classic course delivery and to deliver technology driven courseware:

Teaching Class To Remote Sites – The IBM Video Equipment Solution is currently being used to teach to remote classrooms with all participants being able to see and hear each other "real time" as if they were in the same physical classroom.

Specialized Curriculum – The solution is being used to deliver foreign language, music, advanced math classes and other courseware to rural and urban schools that cannot afford dedicated staff.

Virtual Field Trips – The solution is being used to take students on virtual field trips to locations such as the Smithsonian Institute, NASA and major colleges and universities.

Virtual Campuses – This solution is being used to connect college and university campuses to share resources toward the creation of a virtual campus.

Professional Development – The IBM Video Equipment Solution is being used to train teachers, students and staff nurses for general professional development.

Staff Conferencing – This solution is being used to allow Superintendents, Principals and other Educational Staff to hold meetings without ever having to leave their building.

Teacher Shortages – This solution is helping school districts to address the serious problem of teacher shortages so that they can continue to offer a full curriculum.

Homebound Students & Parent Teacher Interaction – This solution can be used to connect homebound students and their parents to their local schools. Especially important for special need, critical care students and students that are being home-schooled.

IBM's Project Approach

The approach that IBM will take and the methodologies that IBM will use for this project have been in use for over 20 years. They have been field-proven and updated by several practical experienced implementation projects in multiple industries, including education. Several of the key activities include:

A. Verify EL PASO ISD Video Equipment Solution Requirements – In this activity the IBM Team will meet with EL PASO ISD to review and update the District's Video Equipment Solution Requirements to ensure that new requirements are included and obsolete requirements are discarded. The set of requirements that result will be used to refine the Video Equipment and prepare for the solution design activity.

B. Video Equipment Solution Design Review and Implementation Plan Creation – In this activity the IBM Team will modify the initial Video Equipment design as appropriate and develop guide for implementing the solutions. The design and implementation plan will be reviewed with EL PASO ISD IT Staff to ensure that it will meet their needs and schedule. After EL PASO ISD and IBM have agreed on the implementation plan, a detailed Project Plan will be created.

C. End-to-End Video Equipment Solution Implementation – In this activity, the IBM Team will collaborate with EL PASO ISD to rollout the Video Equipment components to classrooms and MDF/IDF locations.

D. Implementation Teaming – In this activity, the IBM Team will collaborate with EL PASO ISD to ensure that the status of the project is known to the participants on a timely schedule, to make sure

that the project tracks according to plan, to ensure that the proper resources are dedicated to the project at all times, and to facilitate an on-time delivery.

E. Training-IBM will provide basic instruction on the use of the E-rate eligible equipment, coincident with and directly associated with the installation of video equipment.

2 STATEMENT OF WORK

This Statement of Work (called "SOW") defines the scope of work to be accomplished by IBM under the terms and conditions of the *IBM Customer Agreement (Agreement)*, or any equivalent. The tasks to be performed by IBM are defined and an Estimated Schedule is provided. In addition, the responsibilities of the El Paso Independent School District are listed.

Changes to the Statement of Work will be processed in accordance with the procedure described in "Project Change Control Procedure". The investigation and the implementation of changes may result in modifications to the Estimated Schedule, Charges, or other terms of this Statement of Work.

The following are incorporated in and made part of this Statement of Work:

- Appendix A - Project Change Control Procedure
- Appendix B - Deliverable/Documentation Guidelines
- Appendix C - IBM Video Equipment Solution Description
- Appendix D - Signature Document

2.1 Project Scope

We will provide a Video Equipment Solution and Installation Services that Plan, Design, Install, and Support your Video Equipment Requirements. This deployment will provide the twenty two (22) school district sites in this SOW, the capability of:

1. Video Equipment On Demand – Using Cisco Systems, Inc.
2. IP/TV Product Suite Video Broadcast – Using Cisco Systems, Inc.
3. IP/TV Product Suite Using Broadband Networks, Inc. (BNI), customized Product Suite (or equivalent*)

*Any substitution of BNI equipment and services, if necessary, must provide the full functionality of BNI's PowerPlay solution and will be mutually agreed upon by EL PASO ISD & IBM so any impacts, if any, are understood by both parties before undertaking such a substitution.

Descriptions of the above video capabilities can be found in Appendix C.

IBM will implement the design and then validate the operation of the new video environment.

To provide the Video Equipment capabilities required by EPISD, IBM will:

- Provide the overall project coordination;
- Install the equipment to be used for Video Broadcast at facilities as noted in this document
- Engage a subcontractor to install and integrate the BNI PowerPlay equipment into the design
- Provide technical support as required.

2.2 Key Assumptions

This Statement of Work, including charges and schedule estimates, is based on the key assumptions documented within this section. Any changes to these assumptions or other assumptions listed within this SOW, will be processed in accordance with the Project Change Control Procedure in Appendix A.

1. IBM will provide suitable office space for the Video team. Desk space, telephones, LAN connections and storage space to properly support the Scope of Work (SOW) should be made available prior to the start of this project.
2. Work under this contract will be performed during school hours (7:00 AM and 4:00PM) unless otherwise mutually agreed upon by IBM and El Paso ISD.

3. Some IBM activities on this project may be performed on IBM premises.
4. It is understood by EPISD and IBM that this SOW and its associated pricing is based upon IBM receiving written approval from EPISD to proceed with E-rate 5 no later than December 31, 2002.
5. Some of the Services may be performed by an IBM subcontractor.
6. This SOW assumes that the El Paso Independent School District network infrastructure will support the Cisco IP/TV Architecture.
7. This Response contains products that are not manufactured by IBM. All non-IBM products must comply with IBM's safety standards. Should IBM deem that any of the proposed non-IBM products do not meet IBM's safety standards, IBM reserves the right to substitute alternative products as available at equal or better quality subject to EPISD coordination.
8. Each school's backbone shall be gigabit Ethernet.
9. Each school shall have a single Main Distribution Facility (MDF) and may have one or more Telecommunications Closets (TC's). These spaces and their connecting fiber shall provide the building backbone.
10. Each designated LAB location shall have at least one-gigabit fiber connection to the nearest TC and at least 24 - 10/100TX ports for user attachments.
11. Each designated Classroom shall be supported by at least six active 10/100TX ports in the nearest TC.
12. Each designated Office and other space shall be supported by at least two active 10/100TX ports in the nearest TC.
13. The preliminary design for the EPISD infrastructure has been done and implemented. This design includes the Video EPISD school locations and facilities. The equipment to be installed at these locations is described in Appendix C.
14. The WAN Infrastructure to all locations is in place and consists of at least a pair of 100 megabit fibers for Video signal / content transport to each site.
15. EPISD has the documentation and statistics about the current environment, which will form the basis for IBM's review of the existing detailed network design.
16. The services provided under this SOW will be performed on-site at up to 67 locations at EPISD and off-site, at IBM location(s).
17. Clear rack spaces will be provided for the equipment installation.
18. EPISD is responsible for all wall mounts if needed.
19. EPISD is responsible to provide space for staging equipment.
20. EPISD is responsible for delivering equipment from the staging area to each EPISD site.
21. EPISD needs to provide a loading dock to the building with adequately sized doors.
22. An ISDN line with two BRI's is required for H.320.
23.
24. .
25.

2.3 IBM Responsibilities

2.3.1 Project Management

The purpose of this activity is to provide an IBM Project Manager who will establish a framework for project communications and reporting of contractual activities.

We will:

1. Review the SOW, and any associated documents, with your Project Manager;
2. Establish and maintain project communications through your Project Manager;
3. Review and administer the Project Change Control Procedure with your Project Manager;
4. Develop a Project Plan;
5. Measure, track and evaluate progress against the Project Plan;
6. Resolve deviations from the Project Plan with your Project Manager;
7. Coordinate and manage the technical activities of our project personnel;
8. Conduct regularly scheduled meetings with your project team to review project status; and

9. Prepare Status Reports every month.

Completion Criteria:
This task is complete when the tasks under "IBM Responsibilities" have been completed including the delivery of any deliverable materials.

Deliverables/Documentation:

- Status Report/Documentation

2.3.2 Reverify Video Equipment Solution Requirements

The purpose of this activity is to collaborate with EPISD professionals to verify and update Video requirements for the IBM Video Equipment Solution. This activity is necessary because of the dynamic nature of the education industry, where classroom techniques change. Development of a current list of requirements will affect the final design of the solution.

Completion Criteria:
This task is complete when the IBM Project Manager delivers a hardcopy document describing the current Video Equipment Solution Requirements to the EPISD Project Manager.

Deliverables/Documentation:

- Video Equipment Solution Requirements Document

2.3.3 Video Network Design Review and Update

The purpose of this activity is to review the existing Video Network Design so that an Implementation Plan with a schedule can be developed and agreed upon. Our performance of these activities is based upon the review of the needs of the El Paso Independent School District and a review of the current network infrastructure documentation we receive from the district.
We will:

1. Review and document the additions and changes to the Network Design for Video components.

Completion Criteria:
This task is complete when the IBM Project Manager delivers a document describing the facts and findings from the Video Network Design Review to the EPISD Project Manager.

Deliverables/Documentation:

- Updated Video Network Design Document

2.3.4 Implementation Plan Creation

The purpose of this activity is:

1. Create a Video Equipment Solution Implementation Plan detailing the specific steps required to migrate from your existing network to a video network using the detailed Video Network Design;
2. Document network addressing, quality of service, bandwidth requirements, etc. for implementing the video network at up to 60 locations in the EPISD network;
3. Create a video network test plan;
4. Create an implementation schedule;
5. Document operational requirements for managing the video network;
6. Create and deliver the Implementation Plan.

Completion Criteria:

This task is complete when the IBM Project Manager delivers an Implementation Plan describing the activities, tasks, resources required to implement the IBM Video Equipment Solution in the EPISD environment to the EPISD Project Manager.

Deliverables/Documentation:

- Implementation Plan for the IBM Video Group

2.3.5 Video Network Implementation

2.3.5.1 Implement IBM Video Equipment Solution

We will:

1. Implement the IBM Video Equipment Solution in accordance with the Implementation Plan.

Completion Criteria:
This task is complete when we have implemented the IBM Video Equipment Solution in the EPISD environment as described in the Implementation Plan for the IBM Video Equipment Solution.

Deliverables/Documentation:

- None

2.3.5.2 Validate Video Network and Operation

The purpose of this activity is to validate the Video network implementation.

We will:

1. Execute the validation test plan as documented in the "Implementation Plan" activity and perform necessary steps to ensure conformance to the design; and

2. Create a Video Network Operational Guidelines document for the ongoing operation of the new network and video infrastructure.

Completion Criteria:
This task is complete when a hardcopy of the Video Network Validation Report and a hardcopy of the Video Network Operational Guidelines have been delivered to the EPISD Project Manager.

Deliverables/Documentation:

- Video Network Validation Report

- Video Network Operational Guidelines

2.4 EPISD Responsibilities

The responsibilities listed in this section are in addition to those responsibilities specified in the *Agreement* and are to be provided at no charge to IBM. IBM's performance is predicated upon the following responsibilities being fulfilled by EPISD.

2.4.1 Project Management

Prior to the start of this SOW, you will designate a person (called "your Project Manager"), to whom all our communications will be addressed and who has the authority to act for you in all aspects of the project. Your Project Manager will:

1. Serve as the interface between our project team and all of your departments participating in this project;
2. Obtain and provide information, data, decisions and approvals, within three (3) business days of our request, unless we mutually agree to an extended response time;
3. Ensure the appropriate personnel for your activities, described in this SOW, are made available by your organization;
4. Participate in status meetings with the project team, as required;
5. Help resolve project issues, and escalate issues within your organization, as necessary; and
6. Provide suitable office space, supplies, furniture, and other facilities (including analog telephone access) for our personnel while working on your premises.
7. Permit posting of any notifications required by applicable law for Services provided at your locations

2.4.2 Federal, State, and Local Laws

EPISD is responsible for the identification and interpretation of any applicable laws, regulations, and statutes that impact the activities, efforts and results of this project. It is the responsibility of EPISD to assure that any actions taken meet the requirements of those laws. IBM will comply with requirements of which it is aware and reasonable requests of EPISD relating to compliance with such requirements.

2.4.3 Data Privacy

EPISD agrees to allow IBM and entities within its Enterprise to store and use EPISD contact information, including names, phone numbers, and e-mail addresses, anywhere IBM does business. IBM will process such information only in connection with our business relationship, and IBM reserves the right to provide such information to entities within its Enterprise, and its contractors, Business Partners and assignees performing services under this SOW, for uses consistent with their collective business activities, including communicating with EPISD (for example, for processing orders, for promotions, and for market research).

2.4.4 Required Consent and Indemnity

EPISD will promptly obtain and provide to IBM Global Services all Required Consents necessary for IBM Global Services to provide the Services described in this Statement of Work. A Required Consent means any consents or approvals required to give IBM Global Services and IBM Global Service's subcontractors the right or license to access, use and/or modify (including creating derivative works) to the hardware, software, firmware and other products that EPISD. uses, without infringing the ownership or license rights (including patent and copyright) of the providers or owners of such products.

EPISD will indemnify, defend and hold IBM, IBM affiliates, and subcontractors, harmless from and against any and all claims, losses, liabilities and damages (including reasonable attorneys' fees and costs) arising from or in connection with any claims (including patent and copyright infringement) made against IBM, alleged to have occurred as a result of EPISD's failure to provide any Required Consents.

IBM will be relieved of the performance of any obligations that may be affected by EPISD's failure to promptly obtain and provide any Required Consents to IBM.

2.5 Deliverable/Documentation Materials

The following items will be delivered to EPISD under this Statement of Work:

- Status Report/Documentation
- Video Equipment Solution Requirements Document
- Updated Video Network Design Document
- Implementation Plan for the IBM Video Equipment Solution
- Video Network Validation Report
- Video Network Operational Guidelines

2.6 Completion Criteria

IBM shall have fulfilled its obligations under this Statement of Work when any of following first occurs:

- IBM accomplishes the IBM tasks described under "IBM Responsibilities" including delivery to EPISD of the materials listed under "Deliverable/Documentation Materials"
- Notwithstanding any other provision, the District has the right to terminate this agreement for business reasons if termination notices are given to IBM prior to any work being performed or service provided.
- Either of us terminates according to the provisions of the *Agreement*.
- Estimated end date is reached

2.7 Estimated Schedule

The estimated schedule for this effort is 12 months from the date of project initiation.

Project Start Date:	July 1, 2002
Project End Date:	June 30, 2003

Work will begin July 1, 2002, given that EPISD receives adequate funding for the project.
The schedule shall be consistent with the completion dates identified by the EPISD and agreed to by IBM. Reasonable effort shall be made by IBM and EPISD to keep the schedule dates intact.

IBM will not be responsible for delays or additional requirements imposed by any government agencies. The IBM will not be responsible for delays caused by delays in project funding, labor disputes, fire, unavoidable casualties, or unforeseen conditions.

2.8 Charges

The Services Charge stated here represents the maximum allowable charges for all services that may be provided under this Statement of Work. IBM understands that the decision to implement this project is contingent upon award to the District of funding under the E-rate program. IBM will not begin work on this project without written notification from EPISD that funding has been approved and that work should begin. If such notification has not been received by December 31, 2002, at IBM's option, IBM may terminate this Statement of Work or implement an extension of this Statement of Work, as well as changes in pricing or other terms and conditions as may be required, via the Project Change Control Procedure outlined in Appendix A.

Or this Statement of Work may be extended upon mutual agreement between EPISD and IBM as defined in the section titled Project Change Control Procedure. Should EPISD not receive the requested funding for E-rate 5 or should EPISD receive only partial funding, IBM will work with EPISD to incorporate those portions of E-rate 5 funding that can be accomplished based upon available funding.

It is understood by EPISD and IBM that this SOW and its associated pricing is based upon IBM receiving written approval from EPISD to proceed with E-rate 5 no later than December 31, 2002. In the event this approval is not received by this date, IBM reserves the right to restructure the SOW to incorporate only those tasks that can be successfully completed by IBM prior to June 30, 2003. This proposal will remain valid through December 31, 2002.

Total Video Equipment Solution and Installation Services Charge . . . . . $4,896,722 including shipping, freight, travel and living expenses.

For purposes of applying for FCC Snowe-Rockfeller E-rate funding, the following breakout is provided.

A) E-rate Eligible Portion..... $4,896,722

B) Non-Eligible Portion..... $ 0.00

E-rate Invoicing: Prior to commencing work, IBM requires:

1) a fully signed contract signature sheet:

2) a P.O. in the amount that the E-rate program is not funding (e.g. non-discounted portion of the eligible costs plus the non-eligible costs), and;

3) a copy of the E-rate funding approval letter.

As a service to the school, IBM will perform dual billing per E-rate terms and conditions. First, IBM will invoice the school monthly, as work is completed (what about inventory carrying costs?), for the 'non-discounted' portion of the ELIGIBLE items. Secondly, under separate invoice, IBM will invoice the E-rate FCC Snowe-Rockefeller administration for the remaining discounted portion of the ELIGIBLE items. Payment is due as specified in the invoice. Please note that although IBM will only bill the school for those charges not eligible under the E-rate program, the school assumes responsibility for the entire contract services charge. Not withstanding any other provision, the District has the right to terminate this agreement for business reasons if written termination notice is given to IBM prior to any work being perform or service provided.

Excluded from the Services Charge are items involving, but not limited to; repairs to the Location for correcting existing code deficiencies, painting, asbestos removal, plumbing, heating and ventilation, air conditioning work, etc.

IBM Service Provider Identification Number (SPIN): 143005607.

This offer will be withdrawn if IBM is not authorized to perform these Services by December 31, 2002.

APPENDIX A. PROJECT CHANGE CONTROL PROCEDURE

The following provides a detailed process to follow if a change to this Statement of Work (SOW) is required.

When both of us agree to a change in this Statement of Work, we will prepare a written description of the agreed change (called a "Change Authorization"), which both of us must sign. The Change Authorization will describe the change, the rationale for the change, and specify any change in the charges, estimated schedule, or other terms. Depending on the extent and complexity of the requested changes, we may charge for our effort required to analyze it. When charges are necessary in order for us to analyze a change, we will give you a written estimate and begin the analysis on your written authorization. The terms mutually agreed upon Change Authorization will prevail over those of this Statement of Work or any previous Change Authorization.

APPENDIX B. DELIVERABLES/DOCUMENTATION GUIDELINES

B– 1: Status Reports/Documentation

Content:

Each status report will consist of the following, as appropriate:

1. Activities performed during the reporting period
2. Activities planned for the next reporting period
3. Project change control summary
4. Problems, concerns, and recommendations

Delivery:

A Status Report will be delivered every month for the duration of the project. One (1) copy of the report, in reproducible format, will be delivered to your Project Manager within five (5) business days following the reporting period.

B- 2: Current Video Equipment Solution Requirements Document

Content:

This document will contain a list of requirements that the IBM Video Equipment Solution must satisfy to meet the needs of EPISD educators and students.

Delivery:

One (1) copy of this document will be delivered to the EPISD Project Manager at the completion of the "Reverify Video Equipment Solution Requirements" activity.

B- 3: Updated Video Network Design Document

Content:

This document will provide the Updated Video Network Design and Implementation Plan as a guide for the deployment of the Video network design. Included in this document will be:

1. Device location
2. Device interface data (i.e. speeds, CIR, etc.)
3. Device unique configuration data (i.e. TCP/IP address information, window size, etc.)
4. Test / Validation Plan

Delivery:

One (1) hard copy of the Detailed Video Network Design Document will be delivered to your Project Manager following the completion of the "Video Network Design Review" activity.

B - 4: Implementation Plan for IBM Video Equipment Solution Document

Content:

This document will provide the Detailed Implementation Plan for transitioning to the IBM Video Equipment Solution in the EPISD environment. The Implementation Plan will be used as a guide for the deployment of the Video network design. Included in this document will be:

1. Device location
2. Device interface data (i.e. speeds, CIR, etc.)
3. Device unique configuration data (i.e. TCP/IP address information, window size, etc.)
4. Test / Validation Plan

Delivery:

One (1) hard copy of the Detailed Implementation Plan for the IBM Video Equipment Solution will be delivered to your Project Manager following the completion of the "Implementation Plan Creation" activity.

B– 5: Video Network Validation Report

Content:

This document will provide facts, findings and recommendations from our review and testing of the implemented video network. It will include:

1. Functional test results obtained from testing the solution functions against the current list of requirements for the IBM Video Equipment Solution.
2. Recommendations for modifications to the solution.

Delivery:

One (1) hard copy of the document will be delivered to your Project Manager following the completion of the "Validate Video Network and Operation" Activity.

B– 6: Video Network Operational Guidelines

Content:

We will provide the Video Network Operational Guidelines to help you to manage and control the new, environment effectively. The report will contain:

1. Organizational and responsibility suggestions to support the Video Network environment
2. Problem determination and problem source identification techniques
3. Reference materials and education suggestions

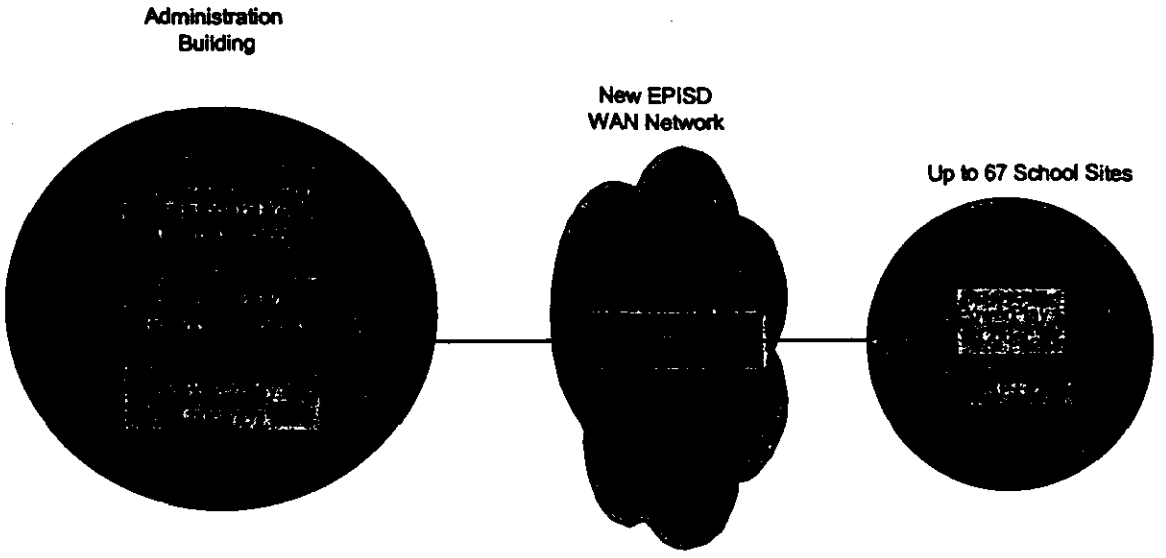
Delivery:

One (1) hard copy of the document will be delivered to your Project Manager following the completion of the "Validate Video Network and Operation" activity.

APPENDIX C. IBM VIDEO EQUIPMENT SOLUTION DESCRIPTION

C-1 EPISD Locations

El Paso Independent School District Proposed Video Solution



Exclusions: This solution does not provide for carts, cameras, monitors, microphones, speakers, and Archive Servers. EPISD will have to provide this equipment at the Video equipment delivery of education locations. The IBM End-to-end Video Equipment Solution that will provide EPISD classroom locations with Video Broadcasting and Video equipment delivery of education capabilities leverages video components from several IBM Partners to provide an innovative solution.

The Cisco Systems Solution Component provides Video Broadcast and Video on Demand capabilities to the classroom locations, while the BNI PowerPlay Solution Component provides Video Conferencing capabilities to the same locations. Together, these components work together to provide state-of-the-art, field-proven distance learning functionality.

Key features of the Cisco Systems, Inc. component include:

A. Cisco Systems IP/TV Solution – The Cisco IP/TV product line is and end-to-end, complete network Video Equipment. It combines the high-performance line of Cisco IP/TV 3400 Series Servers preconfigured with robust IP/TV server software and IP/TV client software for desktop PCs.

The Cisco IP/TV product line is three video solutions in one, supporting live video, scheduled video, and video on demand (VOD). Distinguished by its feature-rich software, the IP/TV solution combines TV-quality streaming video and application and management features with scalability and the bandwidth efficiencies required for large enterprise deployment.

The Cisco IP/TV solution embraces the Cisco AVVID, Architecture for Voice, Video and Integrated Data, which provides a framework to combine all communications into a single infrastructure and delivers full multiservice solutions to customers. The Cisco IP/TV solution, like all Cisco AVVID solutions, offers manageability, reliability, industry standards, enhanced productivity, high availability, and reduced costs

B. Cisco Systems IP/TV Benefits -

E-Learning – When you use the IP/TV solution, you give your staff access to the highest-quality education available. Anyone in your organization can learn from experts around the world, without leaving the office.

Ease of Use and Program Access – The IP/TV Viewer, with a customizable user interface, makes it easy to find, select, and view programs at convenient times. It offers a program listing and separate window for program viewing.

Program selection – From a listing of scheduled and on demand programs, viewers can easily select programs.

Availability of IP/TV programs and Microsoft Windows Media programs – A single IP/TV viewer can list and display both IP/TV programs and Windows Media programs.

Search capabilities – Using key words, a search function can scan thousands of programs to help viewers quickly find the selections.

Program viewing – With point-and-click simplicity, the requested program appears in a separate viewing window.

Viewer options – Users can resize windows to full screen, view multiple programs simultaneously, use VCR-like controls, create a favorites list and play list of selections to view back to back, short programs by day of the week or access online help.

View play list – Users can create a personalized list of VOD programs that play in a user-defined order.

This solution utilizes video group and desktop equipment to control the programming, distribution, and selection of video conferencing broadcast and will work as follows with the exception of item 4, unless the district procures archive servers as previously discussed.

1. A desired class would be video conferenced into a BNI (or equivalent*) gateway.
2. The BNI gateway would feed an NTSC signal into the IP/TV Broadcast Server.
3. The Broadcast Server (used for distribution and selection) would then save the file on its hard drive in the appropriate format.
4. The desired material could be downloaded to the bandwidth-challenged school's local IP/TV Archive Server each night.
5. The materials would be viewed by the students the following day if an Archive Server has been acquired by the School District.

*Any substitution of BNI equipment and services, if necessary, must provide the full functionality of BNI's PowerPlay solution and will be mutually agreed upon by EL PASO ISD & IBM so any impacts, if any, are understood by both parties before undertaking such a substitution.

This solution shown in the diagram above describes the minimum system that would allow this application to be delivered. It has the limitation of only being able to record a single concurrent BNI conference, but it has been designed specifically for scalability. The addition of more Broadcast Servers (with corresponding BNI Gateways) would allow multiple simultaneous videoconferences

Because the BNI Gateway does not have the ability to control the IP/TV system, the BNI solution conference will have to be setup individually. IBM has assumed that the logical architecture through the various teleco "clouds" is a star topology. It will be necessary to configure the network devices.

This solution has the added benefit of being able to provide media retrieval of both PowerPlay conferences and other stored materials to all eligible locations in the network. This is an educational tool that is currently being installed in more and more school districts across the United States.
The IBM End-to-end Video Equipment Solution will provide EL PASO ISD classroom and administration locations with Video Broadcasting and Video equipment delivery of education capabilities leverages video components from several IBM Partners to provide an innovative total solution.

Quantity	Description	P/N
1	Control Server	IP/TV-3412-CTRL
1	Broadcast Server	IP/TV-3425-BCAST-M
3	Archive Server*(Note: Part Number IP/TV-3432 Archive Server is not eligible for Erate funding and the costs associated are not included in this Statement of Work)	IP/TV-3432

PowerPlay is an IP based H.323 digital multimedia Video equipment delivery of education solution which is designed for a wide range of applications that require high quality interactive video, audio and data communications. PowerPlay is a standards-based solution that will operate over any properly configured Ethernet, ATM or SONET network.

PowerPlay provides the capability for true multipoint video. Up to eight users can participate in an interactive conference, including four continuous presence video and audio participants and four audio only participants. PowerPlay delivers extremely high quality video and audio. The video performance is full motion (30 fps) with full CIF resolution for each participant. The audio is facilitated by the lowest system latency in the industry at less than 150 ms and is supported by a variety of high performance echo canceling techniques.

The PowerPlay NTSC Gateway is a universal gateway to any other video platform that supports NTSC inputs and outputs (which most do). The customer would purchase this product, and connect it to a customer owned codec. This creates a "meet-me" gateway in which users can "dial" the gateway and exchange audio and video to the foreign network.

School Districts can use a NTSC gateway to interface to existing H.320 gear. Connecting this device to an H.320 endpoint, such as a PictureTel, PolyCom or VTEL station will create a gateway and will allow for outside H.320 users to call the customer's H.320 station to meet an H.323 multipoint conference.

Quantity	Description	P/N
[redacted]	Control Unit/CODEC	2074-CD1
[redacted]	Accessories* (*Note: Part Number 2074-A1 (accessories) is not eligible for Erate funding and the costs associated are not included in this Statement of Work)	2074-A1
[redacted]	PowerPlay Gateway	PWP-IPC(GW)
[redacted]	PowerPlay Gold Service 1-Year Technical Support	WL0129

The configuration above is recommended based upon the number of identified sites. A network gateway is recommended so that users inside the EPISD network can conference with remote networks that are using standards based conferencing methods, like ISDN-based H.320. This is fairly common with one school district talking to other districts or visiting popular locations such as the Smithsonian Institute or NASA.